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Office Memorandum • UNITED STATES GOVERNMENT

TO : Chief, Management Staff

DATE: 30 JUN 1967

FROM : Comptroller

SUBJECT: Management's Study of Program Analysis Staff
of the Office of the Comptroller

file

1. I am in substantial agreement with your analysis of the propriety of the mission, function, procedure, and staffing requirements of the Program Analysis Staff. The study was thorough and a fair presentation of the activity of the Staff, the difficulties encountered, and the accomplishments to date. The conclusions reached are in accordance with a realistic appraisal of the situation as it now exists.

2. My comments on your specific recommendations are:

a. The vacant position on the T/O has been filled.

b. If the committee, headed by the SA/PC/DCI, presently studying the extent to which program analysis should be performed on an Agency-wide basis recommends that the Comptroller (PAS) should be limited to financial analysis - as we expect will occur - I agree that the name of the Staff should be changed, and [] should be revised to reflect this change. However, we should make no change until the committee has prepared its recommendations and the approval of the DDCI has been secured.

c. We are preparing a paper for transmittal to SA/PC/DCI stating our position regarding the extent to which program analysis should be undertaken. However, the SA/PC/DCI has been given the responsibility for (a) recommending the organizational component which should be made responsible for program analysis, and (b) the promulgation of the regulation necessary to accomplish the recommended action.

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NO CHANGE in Class.

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Auth: DPA/POL/SP/DM

Date: 24 FEB 78 By: []

E. R. SAUNDERS

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The Comptroller

Chief, Management Staff

Study of Program Analysis Staff, Office of Comptroller

1. PROBLEM:

Determine the propriety and adequacy of the mission, functions, procedures, delegations of authority and staffing requirements of the Program Analysis Staff (PAS).

2. ASSUMPTIONS:

- a. The PAS was established by the Comptroller under Agency Regulation [] to assist him in carrying out his mission.
- b. Consideration of the effectiveness of any project undertaken by the PAS is not within the scope of this study.

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3. FACTS BEARING ON THE PROBLEM:

- a. Paragraph 8.b.(12) of Agency Regulation [] states that the Comptroller shall "Develop and maintain effective program and financial analysis and prepare and distribute appropriately analytical reports and statements."
- b. The PAS was established in September 1952. The present (23 November 1956) ceiling and T/O of the PAS provides for six positions.
- c. Reports are prepared by the PAS in the forms of graphs, charts, statistical tables and comparisons, schedules in support of financial statements, staff studies, etc.
- d. The types of analyses, reports and statements conceived and projected for development and distribution by the PAS includes:
 - (1) Agency consolidated financial statements
 - (2) Analyses of Projects, active and terminated
 - (3) Analyses of Agency programs combining operational and financial data
 - (4) Progress reports on Agency programs.

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- e. The types of analyses, reports and statements actually developed and distributed by the PAS include:
 - (1) Agency financial statements
 - (2) Analyses of terminated proprietary projects
 - (3) Analyses of TII travel
- f. Due to lack of information available it has been impossible for the PAS to develop and distribute analyses, reports and/or statements of the following types:
 - (1) Analyses of active Projects
 - (2) Analyses of Agency operational programs
 - (3) Progress reports on Agency operational programs
- g. The Chief/PAS, in addition to supervision of the work of PAS, has acted in the following capacities:
 - (1) ED/S representative on Consolidated Charities Policy Committee
 - (2) Chairman, Comptroller Reports Review Panel
 - (3) Secretary, Board of Review for Shortages and Losses
- h. DISCUSSION:
- a. While the ceiling and T/O of the PAS provide for six positions, the Staff has been functioning for some time with a personnel of five, one of whom is on detail from the Audit Staff. The position of clerk-typist presently is vacant. This shortage of personnel has placed an extra burden upon the balance of the Staff. It has resulted in limiting the number of projects which could be undertaken and has made difficult the completion of reports in a timely manner. A detail of the T/O is provided in TAB-A.
- b. A lack of operational information has reacted to limit the field of activity for the PAS to financial analysis. A comparison of the mission and functions of the PAS, as conceived by the Chief/PAS (TAB-B), with the types of analyses, reports and statements to which the PAS has been confined will disclose the areas in which it has been unable to function. These areas in which information has been available appear to have been very thoroughly, appropriately and adequately covered. For a detailed list of the work accomplished and reports presently being furnished see TAB-C.

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- a. Program analysis, as construed by the Comptroller (with the apparent concurrence of the Inspector General) contemplated a merging of operational data with financial statistics designed to produce an evaluation of the effectiveness of Agency activities compared with original objective plans and cost estimates. Such analyses would also take into consideration pertinent reports by other components. Generally, operational data have not been made available to the Comptroller. This problem was discussed at length in a Comptroller memorandum dated 2 February 1956, a copy of which is attached as TAB D.

5. CONCLUSIONS:

- a. The existing T/O for PAS is correct for the Staff to function effectively.
- b. The PAS is performing an excellent job of financial analysis but is unable to function in the area of program analysis, as is required of the Comptroller by Regulation [redacted]
- c. Policy with respect to establishing effective program analysis and component responsibility for its performance should be established at the earliest opportunity. It is understood that this is in process of being resolved as a responsibility of the SA/PC/DCI.
- d. Because of the operational security factors involved, PAS should confine its efforts to financial analysis. The financial analysis should be forwarded to the appropriate unit of the Agency responsible for program analysis for incorporation as a proper and essential part thereof.
- e. Upon determination of "c" above, Regulation [redacted] should be modified to reflect proper responsibility for financial analysis and program analysis separately.

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6. RECOMMENDATIONS:

It is recommended that:

- a. Any vacant position on the T/O of the PAS be filled by the Comptroller as soon as possible.
- b. The work of the PAS be limited to financial analysis, its mission and functions be revised accordingly, its title be changed to Financial Analysis Staff, and [redacted] be revised by the Comptroller to reflect these changes.
- c. Responsibility for program analysis be established and delineated by the SA/PC/DCI in an appropriate Regulation.

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E.R.S., R.F.

I would appreciate your
considered reaction to this.

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SUBJECT: Study of Program Analysis Staff

ATTACHMENTS:

- TAB A - T/O of Program Analysis Staff
- TAB B - Mission and Functions of
Program Analysis Staff
- TAB C - Work Accomplished and Reports
Presently Being Furnished by
Program Analysis Staff
- TAB D - Comptroller Memorandum 2 Feb.
1956

DISTRIBUTION:

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[Redacted] (4 December 1956)

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